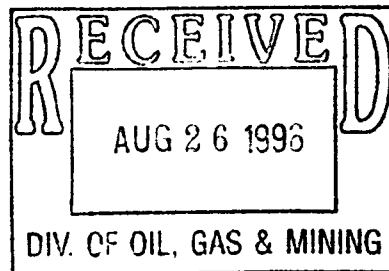


Spencer Douglass & Assoc. Of Nv.

1005 Terminal Way #120
Reno, Nv. 89502
(702) 786-8277
Fax: (702) 786-8389

AUGUST 20, 1996

RE: R.P. HORTON
INDIAN QUEEN MARBLE
BOND #64916-SD



DEAR TOM,

ENCLOSED, PLEASE FIND THE TWO PAGES THAT YOU REQUESTED TO BE FILLED OUT
SO THE BOND ON THE ABOVE MENTIONED IS COMPLETE.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL.

SINCERELY,

A handwritten signature in cursive script that reads "Debbie".

DEBBIE

m/001/019

FAX COVER SHEETDATE: 8-5-96TO: Wayne HedbergCOMPANY: Indian Queen MarblePHONE: 801-882-2865FROM: Gary ApplegateTOOL BOX RENTAL, INC.
BOX 95
TOOELE, UTAH 84074

801-882-2865

801-882-2868 FAX

REFERENCE:

Following is the bond you
require for my continuing operation
Mr. Horton is a stockholder in
Indian Queen Marble LLC.

o/s
Jaille,
Please make
note of this
for tracking
file & route
to mine file.
will await tx. w
original.

ATTACHMENT B

MR. POAH S
June 10, 1996

Bond Number _____
Permit Number _____
Mine Name INDIAN QUEEN MARBLE

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

THE MINED LAND RECLAMATION ACT

(INTERIM) SURETY BOND

(*) Asterisked items are not applicable for an "interim" reclamation surety. These items will be completed upon final approval of the large mine permit.

The undersigned R.P. HORTON as
Principal, and FRONTIER INSURANCE COMPANY as
Surety, hereby jointly and severally bind ourselves, our heirs, administrators, executors,
successors, and assigns, jointly and severally, unto the State of Utah, Division of Oil, Gas
and Mining (Division) in the penal sum of FIFTEEN THOUSAND & NO/100*****
dollars (\$ 15,000.00*****).

Principal has estimated in the Mining and Reclamation Plan approved by the Division
on the day of , 19 , that acres of
land will be disturbed by mining operation in the State of Utah.

A description of the disturbed land is attached as "Attachment A" to the
Reclamation Contract, of which this document is an integral part.

The condition of this obligation is that if the Division determines that Principal has
satisfactorily reclaimed the disturbed lands in accordance with the approved Mining and
Reclamation Plan and has faithfully performed all requirements of the Mined Land
Reclamation Act, and complied with the Rules and Regulations adopted in accordance
therewith, then this obligation shall be void; otherwise it shall remain in full force and effect.

If the Mining and Reclamation Plan provides for periodic partial reclamation of the
disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act and
regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

In the converse, if the Mining and Reclamation Plan provides for a gradual increase
in the area disturbed or the extent of disturbance, then, the Division may require that the
amount of this Surety Bond be increased, with the written approval of the Surety.

Page 2

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Attachment: B

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

R.P. HORTON
Principal (Permittee)

Date

August 1, 1996

R.P. HORTON
By (Name typed):

OWNER-CONSULTANT
Title

Signature

Surety Company **FRONTIER INSURANCE COMPANY**

VELMA J. ROWLAND
Company Officer

AUGUST 1, 1996
Date

ATTORNEY-IN-FACT/NEVADA RESIDENT AGENT
Title/Position

Signature

Velma J. Rowland

SPENCER DOUGLASS AND ASSOC. OF NEVADA
1005 TERMINAL WAY, #120
RENO, NEVADA 89502

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MR-5 (revised June 10, 1996)
Attachment B

Bond Number _____
Permit Number M/001/019
Mine Name INDIAN QUEEN MARBLE, LLC

SO AGREED this _____ day of _____, 19_____.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

Dave D. Lauriski, Chairman
Utah State Board of Oil, Gas and Mining

***NOTE:** Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

AFFIDAVIT OF QUALIFICATION

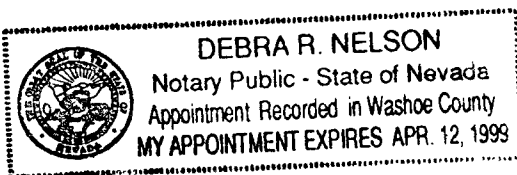
On the 1ST day of AUGUST, 1996, personally appeared before me
VELMA J. ROWLAND who being
by me duly sworn did say that he/she, the said VELMA J. ROWLAND is the
ATTORNEY-IN-FACT of FRONTIER INSURANCE COMPANY and duly
acknowledged that said instrument was signed on behalf of said company by authority of its
bylaws or a resolution of its board of directors and said
VELMA J. ROWLAND duly acknowledged to me that said company
executed the same, and that he/she is duly authorized to execute and deliver the foregoing
obligations; that said Surety is authorized to execute the same and has complied in all
respects with the laws of Utah in reference to becoming sole surety upon bonds, undertaking
and obligations.

Signed: Velma J. Rowland
Surety Officer

Title: ATTORNEY-IN FACT

STATE OF NEVADA)
COUNTY OF WASHOE) ss:

Subscribed and sworn to before me this 1ST day of AUGUST, 1996.



Debra R. Nelson
Notary Public
Residing at: 1005 TERMINAL WAY, #120
RENO, NEVADA 89502

My Commission Expires:

APRIL 12, 19 99